

GTE



GTE California
Incorporated

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805 372-6000

June 19, 1998

Maureen A. Scott
Attorney
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona

Re: ACC Docket No. T-1846-97-570 (Unserved Areas)
FCC Docket No. 96-45; 97-160; DA 98-715

Dear Ms. Scott:

Attached is the response from GTE California Incorporated to the Arizona Corporation Commission Staff's first set of data requests in the above-referenced matter. Please feel free to call me at (805) 372-6291 with any questions.

Fernando E. Cornejo
Staff Administrator
Integrated Programs

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JUN 23 1998

LEGAL DIV.
ARIZ. CORPORATION COMMISSION

GTE CALIFORNIA INCORPORATED'S
RESPONSE TO
ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS
ACC DOCKET NO. T-1846-97-570 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715

S-1. Currently, are there any potential customers within the Company's exchange boundaries that do not have telephone service? If yes, how many?

Response: Yes, there is one potential customer within GTE California's (GTEC's) exchange boundaries that does not have telephone service.

DS-2. Please indicate the basis for your estimate provided in response to Question 1.

Response: GTEC is cognizant of physical presence of potential business customer, however, the potential customer has not requested service from GTEC.

DS-3. Where are these potential customers located? List the estimated number of potential customers by wire center or exchange and by section, township and range.

Response: The potential customer is located in Bouse exchange, 8 North, 19 West, Section 28.

DS-4. If your response to DS-1 is yes, why do these potential customers not have telephone service at the present time? Have any of these potential customers requested service at any time? If yes, please provide the names of the customers and the dates service was requested.

Response: The investment required to extend facilities in order to serve the customer is too costly. To date, the potential customer has not requested service.

DS-5. For the customers listed in your response to DS-3, indicate the distance from the potential customer's location to the nearest available facilities.

Response: The distance from the potential customer's location to the nearest available facilities is 11 miles.

DS-6. Are there any potential customers immediately outside the Company's exchange boundaries that do not have telephone service? If yes, how many?

Response: GTEC is not aware of any potential customers existing immediately outside GTEC's exchange boundaries that do not have telephone service.

DS-7. Please indicate the basis for your estimate provided in response to Question 6.

Response: GTEC's response is based on visual surveillance of servicing territories and adjacent areas.

DS-8. Where are these potential customers located? List the estimated number of potential customers by wire center or exchange, and if possible, by section, township and range.

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Response: Question is not applicable.

DS-9. If your response to DS-6 is yes, why do these potential customers, if any, not have telephone service at the present time? Have any of these potential customers requested service at any time? If yes, please provide the names of the customers and the dates service was requested.

Response: Question is not applicable.

DS- 10. For the customers listed in your response to DS-8, please indicate the distance from the potential customer's location to the nearest available facilities.

Response: Question is not applicable.

DS- 11. Has your Company received any complaints from potential customers regarding their inability to obtain telephone service during the last five years? Please indicate the number of complaints received by year, the nature of each complaint, and where the customer is located.

Response: GTEC has not received any complaints from potential customers regarding their inability to obtain telephone service.

DS-12. If your answer to DS- 11 was yes, how were each of these complaints resolved? Please list all instances where the complaint is still unresolved and date the complaint was received.

Response: Question is not applicable.

DS-13. Does your Company have an approved line extension tariff on file with the Commission? If yes, please attach a copy and briefly explain how it works.

Response: Please see Attachment A containing Rule 15 from the former Contel tariff and Rule 13 from GTEC's tariff.

DS-14. How often in the past five years have you given estimates under your tariff to potential customers without service?

Response: GTEC has provided estimates under our tariff to potential customers without service three times in the past five years.

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DS-15. What have those estimates been? Please provide as many individual examples as possible for the prior IO year period. Please also indicate what your average estimate is for line extension requests you receive.

Response: Please see Attachment B.

DS-16. Have all potential customers provided with these estimates been able to pay the required amount to have facilities put in place to obtain telephone service?

Response: No, not all potential customers were able to pay the required amount to have facilities put in place to obtain telephone service.

DS-17. If your answer to Question 16 is no, how many potential customers have been unable to pay the required amount to have facilities put in place? Please indicate per request the dollar amount which the potential customer was unable to pay, and when the request was made for the last 10 year period.

Response: Two potential customers have been unable to pay the required amount to have facilities put in place.

DS-18. Would any of these potential customers qualify for federal Lifeline assistance using the federal default eligibility criteria? If yes, please estimate how many would fall into this category?

Response: GTEC is not able to determine the qualifying status for federal Lifeline assistance of these potential customers.

DS- 19. How much does the Company currently receive in Federal High Cost Funds? How much does the Company receive in Long Term Support assistance from the Federal jurisdiction? How much does the Company receive in Federal assistance from DEM Weighting?

Response: The Company receives \$563,341 in Federal High Cost Funds and \$737,002 in Federal assistance from DEM Weighting. The Company does not receive any Long Term Support funding from the Federal jurisdiction.

ARIZONA

SCHEDULE NO. AC

- RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS

A1 General

- B1 Except as otherwise provided in these Rules, the utility will, at its expense, construct, own and maintain all outside plant facilities necessary to serve applicants in accordance with its rates, rules, and current construction standards, provided dedicated streets are available or acceptable easements can be obtained without charge or condemnation.
- B2 Where an applicant requests a route or type of construction which is feasible but differs from that determined by the utility, he will be required to pay the estimated additional cost involved.
- B3 In lieu of all or part of the payment in B2 above, the applicant may furnish such materials or perform such work as may be mutually agreed between the utility and the applicant. Upon acceptance by the utility, ownership of any materials so furnished shall vest in the utility except that portion of underground supporting structures located on private property.
- B4 Charges for extending outside plant facilities and service connections in suburban areas are set forth in Schedule No. A-2.
- B5 Outside plant facilities and service connection provisions for temporary or speculative service are set forth in Rule No. 11.
- B6 Where its own operating conditions warrant, the utility will extend and maintain its outside plant facilities underground at its expense.
- B7 If an applicant elects to be served by aerial electrical facilities which are not in violation of a legal prohibition imposed by a municipality, the Arizona Corporation Commission, or other governmental agency having jurisdiction, the utility is not obligated to construct underground.

(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1996

Decision No. _____

Regional Director _____

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Regulatory & Industry Affairs

ARIZONA

SCHEDULE NO. AC

RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

A1 General (continued)

B8 Only underground outside plant facilities and service connections will be constructed to and within the following types of new subdivisions (as defined in Rule No. 1) or new real estate developments; i.e., projects which do not satisfy the density requirement for a subdivision. (See B7 above and B9 below.)

C1 Five or more lots for single-family and/or multi-family dwellings; unless

D1 The minimum parcel size within the new residential subdivision or real estate development, identifiable by a map filed with the local governmental authority is three acres and the applicant for the extension to outside plant facilities shows that all of the following conditions exist

E1 Local ordinances do not require underground construction.

E2 Local ordinances or land use policies do not permit further division of the parcels involved so that parcel sizes less than three acres can be formed.

E3 Local ordinances or deed restrictions do not allow more than one single-family dwelling or accommodation on each parcel or any portion of a parcel of less than three acres.

(continued)

Advice Letter No. 142

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Decision No. _____

Regional Director _____

Effective JAN. 01, 1997

ARIZONA

SCHEDULE NO. AC

RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

A1 General (continued)

B8 (continued)

C1 (continued)

D1 (continued)

E4 New aerial plant extensions and service connections constructed to or within a residential subdivision or real estate development would not be in proximity to,* and visible from,* a designated scenic highway, state or national park, or other area determined by a governmental agency to be of unusual scenic interest to the general public.

E5 Exceptional circumstances do not exist which in the utility's opinion warrant the installation of extension to underground plant and service connection facilities. Whenever the utility invokes this provision, the circumstances shall be described promptly in a letter to the Arizona Corporation Commission, with a copy to the applicant.

E6 The utility does not elect to install the plant underground for its own operating convenience. Whenever the utility elects to install the plant underground for its operating convenience, the extra cost compared with overhead shall be borne by the utility.

* "In proximity to" shall mean within 1,000 feet from each edge of the right-of-way of designated state scenic highways and from the boundaries of designated parks and scenic areas. "Visible from" shall mean that overhead distribution facilities could be seen by motorists or pedestrians traveling along scenic highways or visiting parks or scenic areas.

(continued)

Advice Letter No. 142

Issued By

Date Filed OCT. 31, 1996

Decision No.

Regional Director

Effective JAN. 01, 1997

ARIZONA

SCHEDULE NO. AC

RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

A1 General (continued)

B8 (continued)

- C2 Five or more dwelling units in two or more buildings located on a single parcel of land.
- C3 Two or more enterprises on a single parcel or on two or more contiguous parcels of land; where each enterprise is to be engaged in trade, the furnishing of services, or a process which creates a product or changes materials into another form or product (e.g., shopping centers; sales, commercial or industrial enterprises; business offices; professional offices; educational or government complexes; shops; and factories).
- B9 In exceptional circumstances, when the application of these rules appears impractical or unjust, the utility or the applicant may refer the matter to the Arizona Corporation Commission for special ruling or for approval of mutually agreed upon special conditions prior to commencing construction.
- B10 Any applicant for service requesting the utility to prepare detailed plans, specifications, or cost estimates of construction, for commercial and residential multi-unit projects or real estate subdivisions will be required to deposit with the utility an amount equal to the cost of preparation. The utility shall provide the requested documents within 90 days after receipt of deposit.
- C1 When the applicant authorizes the utility to proceed with the construction of the project, the deposit shall be credited to the project cost, otherwise cost of preparation for services stated above will be retained by the utility.

(continued)

Advice Letter No. 142

Issued By

Date Filed OCT. 31, 1996

Decision No.

Regional Director

Effective JAN. 01, 1997

ARIZONA

SCHEDULE NO. AC

RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

A2 Aerial plant extensions

Aerial plant extensions will be constructed at the utility's expense subject to the general provisions in A1 above.

A3 Underground plant extensions

B1 Within new subdivisions in their entirety where all requirements will be for residential service or where buried cable is to be used for plant facilities.

C1 The utility will construct underground plant facilities at its expense. Trenches will be occupied jointly, where economy dictates. The applicant will perform or pay for all necessary trenching and backfilling required (includes all items specified in Rule No. 1, Trenching Costs).

C2 The applicant will perform or pay for any pavement cutting and repaving, and for clearing the route and grading it to within six inches of final subgrade, all in time to give the utility a reasonable construction period.

B2 Within new subdivisions in their entirety where all or a portion of the requirement will be for business service and the utility determines an underground supporting structure is needed.

C1 The utility will provide the conduit material and metallic manhole covers where specified, or where mutually agreeable, the applicant may provide the conduit material to the utility's specifications and the utility will reimburse the applicant at the utility's current cost or the applicant's actual cost, whichever is less, for that type of conduit.

C2 The applicant will construct the utility's specifications and deed to the utility the complete underground supporting structure.

(continued)

Advice Letter No. 142

Issued By

Date Filed OCT. 31, 1996

Decision No.

Regional Director

Effective JAN. 01, 1997

ARIZONA

SCHEDULE NO. AC

- RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

A3 Underground plant facilities (continued)

B2 (continued)

C3 If the specifications in C2 above include transiting conduit to serve parcels outside the subdivision, the utility will provide all conduit material and reimburse the applicant his incremental cost attributable to transiting conduits in any section of the underground supporting structure. The applicant and the utility shall agree upon the amount of such reimbursement before construction begins.

C4 The utility will complete the plant facilities at its expense, subject to the provisions of C1 above, where buried cable is to be used.

C5 The applicant shall be responsible for loss, unreasonable breakage, and any liability in connection with the conduit material or manhole covers provided to the applicant by the utility.

B3 From new subdivisions to the utility's existing distribution facilities

C1 Responsibilities for the cost of construction of that portion of plant which is 200 feet or less in length and is adjacent to the boundary of a new subdivision will be the same as those within a subdivision as determined by B1 or B2 above for the type of construction employed.

C2 For the remainder of plant construction outside the boundary of a new subdivision, the applicant will pay in advance a nonrefundable amount equal to three-fourths of the estimated difference in cost between underground and aerial facilities.

(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1996

Decision No. _____

Regional Director _____

Effective JAN. 01, 1997

Regulatory & Industry Affairs

ARIZONA

SCHEDULE NO. AC

RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

A3 Underground plant extensions (continued)

B4 Plant facilities to and within new real estate developments in their entirety which do not satisfy the density requirement for a subdivision, will be constructed in the manner determined in B1 through B3 above provided.

C1 The applicant will pay in advance the estimated total cost of the utility's construction. Any difference between the amount advanced and the actual cost shall be advanced or refunded, as the case may be, within 60 days after completion of the utility's construction. This adjusted advance, excluding any payments required by B1 C1 and C2, B2 C1 and C2; and B3 C2 above, is refundable as provided in C2 below.

C2 When, within the first three-year period after completion of construction, the subdivision density requirement has been met, the utility will refund the refundable advance in C1 above. If, at the end of the three-year period the subdivision density requirement has not been met, the utility will refund that portion of the refundable advance proportional to the ratio of the then permanent main telephone and PBX trunk line termination density to the subdivision density requirement. No interest will be paid on such advances.

B5 In cases other than those included in B1 through B4 above, if the applicant requests or is required to have underground plant facilities he will pay in advance three-fourths of the estimated difference in cost between underground and equivalent aerial facilities.

A4 Aerial service connections

B1 Aerial service connections from aerial distribution facilities are furnished at the utility's expense except as set forth in A1 above.

(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1996

Decision No. _____

Regional Director _____

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ARIZONA

SCHEDULE NO. AC

RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

A4 Aerial service connections (continued)

B2 Aerial service connections from underground distribution facilities are not provided unless an applicant specifically requests such an arrangement. Such an arrangement must be feasible and permissible, in which case applicant will be required to pay in advance a nonrefundable amount equal to the estimated total cost of arranging the distribution facilities to accommodate an aerial service connection.

B3 Applicant or customer will provide and maintain a suitable point of attachment on the building housing the premises served to give clearance between the service connection wire or cable and ground and other objects as required by applicable laws, ordinances, rules or regulations of public authorities.

A5 Underground service connections

When applicant requests or is required to have underground facilities, the utility will furnish them under the following conditions.

B1 To property to be served

C1 Subdivisions

The utility will construct underground service connections without charge where right-of-way can be obtained without charge or condemnation. Where an underground plant facility is being constructed for a new real estate development as provided in A3 B4 above, the utility's cost of such underground service connections is also subject to the advance and refund provisions of A3 B4 above. Trenches will be occupied jointly, where economy dictates. The applicant will perform or pay for all necessary trenching and backfilling required (includes all items specified in Rule No. 1, Trenching Costs).

(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1996

Decision No. _____

Regional Director _____

Effective JAN. 01, 1997

ARIZONA

SCHEDULE NO. AC

RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

A5 Underground service connections (continued)

B1 To property to be served (continued)

C2 All other cases

The utility will construct underground service connections from aerial distribution facilities upon payment in advance by the applicant of a nonrefundable amount equal to three-fourths of the estimated difference in the cost of constructing underground and equivalent aerial facilities.

B2 On property to be served

C1 Subdivisions

The utility will construct underground service connections without charge where right-of-way can be obtained without charge or condemnation. Where an underground plant facility is being constructed for a new real estate development as provided in A3 B4 above, the utility's cost of such underground service connections is also subject to the advance and refund provisions of A3 B4 above. Trenches will be occupied jointly, where economy dictates. The applicant will perform or pay for all necessary trenching and backfilling required (includes all items specified in Rule No. 1, Trenching Costs).

(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1996

Decision No. _____

Regional Director _____

Effective JAN. 01, 1997

Regulatory & Industry Affairs

ARIZONA

SCHEDULE NO. AC

RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

A5 Underground service connections (continued)

B2 On property to be served (continued)

C1 Subdivisions (continued)

D1 For the purpose of this rule: A service connection (or a branch thereof) intended to serve all or a portion of one building is denoted as being "separate." Where a single service connection is intended to serve two or more buildings on one continuous property, the section extending from the property line and excluding the "separate" branches to individual buildings is denoted as the "common portion."

E1 The trench or underground supporting structure for a "separate" service connection, and for any "common portion" for which an easement acceptable to the utility (see C2 below) is not obtainable without charge or condemnation, will be provided as follows

F1 Where the utility determines that buried wire or cable is to be used for the service connection, the applicant or customer will provide the trench or pay the trenching costs. Such trench will be to the utility's plans and specifications between designated points on the building served and the boundary of the "common portion" easement, utility easement or dedicated street, as required.

(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1996

Decision No. _____

Regional Director _____

Effective JAN. 01, 1997

Regulatory & Industry Affairs

ARIZONA

SCHEDULE NO. AC

RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

A5 Underground service connections (continued)

B2 On property to be served (continued)

C1 (continued)

D1 (continued)

E1 (continued)

F2 Where the utility determines that conduit is to be used for the service connection, the applicant or customer will construct, own and maintain at his expense the underground supporting structure. Such underground supporting structure will be to the utility's plans and specifications between designated points on the building served and the boundary of the "common portion" easement, utility easement or dedicated street, as required.

C2 Where feasible, a single service connection will be constructed to serve two or more buildings on one continuous property. The trench or underground supporting structure or the "common portion" and those segments of "separate" portions lying within the boundary of the easement of such an arrangement will be constructed as follows, provided an easement acceptable to the utility for such "common portion" has been obtained without charge or condemnation. Unless otherwise agreed between the applicant and the utility, the width of such easement shall not exceed five feet. Where the easement of the "common portion" is adjacent to or within the paved area of a private street giving access to two or more buildings, such easement shall be broadened, where required, to include those portions of "separate" service connections that will be constructed beneath the street pavement.

(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1996

Decision No. _____

Regional Director _____

Effective JAN. 01, 1997

ARIZONA

SCHEDULE NO. AC

RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

A5 Underground service connections (continued)

B2 On property to be served (continued)

C2 (continued)

D1 Where all requirements will be for residential service the utility will provide the trench or underground supporting structure at its expense, and the applicant will perform or pay for any pavement cutting and repaving, and for clearing the route and grading it to within six inches of final grade, all in time to give the utility a reasonable construction period.

D2 Where all or a portion of the requirement will be for business service and the utility determines that buried wire or cable is to be used, the utility will provide the trench at its expense, and the applicant will perform or pay for any pavement cutting and repaving, and for clearing the route and grading it to within six inches of final grade, all in time to give the utility a reasonable construction period.

(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1996

Decision No. _____

Regional Director _____

Effective JAN. 01, 1997

ARIZONA

SCHEDULE NO. AC

RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

A5 Underground service connections (continued)

B2 On property to be served (continued)

C2 (continued)

D3 Where all or a portion of the requirement will be for business service and the utility determines that an underground supporting structure is required, the utility will provide the conduit material, and metallic manhole covers where specified, or where mutually agreeable, the applicant may provide the conduit material to the utility's specifications and the utility will reimburse the applicant at the utility's current cost or the applicant's actual cost, whichever is less, for that type of conduit. The applicant will construct to the utility's specifications and deed to the utility the complete underground supporting structure. The applicant shall be responsible for loss, unreasonable breakage and any liability in connection with the conduit material or manhole covers provided to the applicant by the utility.

C3 In either C1 or C2 above the utility will, at its expense, furnish, install and maintain the service connection wire or cable.

(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1996

Decision No. _____

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Effective JAN. 01, 1997

ARIZONA

SCHEDULE NO. AC

RULE NO. 13

OUTSIDE PLANT FACILITIES AND SERVICE CONNECTIONS (continued)

- A6 Existing service connections will be reinforced as required to accommodate added service requests under the conditions set forth above.
- A7 Interior wiring
- B1 The interior wiring in buildings to provide telephone service to the occupants will be furnished, installed and maintained by either the utility or the customer. If the customer elects to furnish and install interior wiring, such wire must conform with the specifications of the utility. The cost of maintenance of inside wire is not included in the local access rates. Customers requesting utility-provided maintenance will be billed applicable charges in Schedule No. A-7.
- B2 The utility will determine the type and location of protective apparatus, on and within a building.
- B3 Where a service is to be extended between premises of an applicant or customer in separate buildings on continuous property and underground or aerial construction is either requested or required, the applicant or customer shall provide the necessary facilities.
- B4 In exceptional circumstances, when the application of this rule appears impractical or unjust, the utility or the applicant may refer the matter to the Arizona Corporation Commission for special ruling or for approval of mutually agreed upon special conditions prior to commencing construction.
- B5 The customer or an applicant (contractor) shall provide a large enough covered enclosure, with outside access from the ground floor, in a location mutually agreeable to the customer or an applicant (contractor) and the utility, to house the utility Standard Network Interface (SNI).

(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1996

Decision No. _____

Regional Director _____

Effective JAN. 01, 1997

ARIZONA

SCHEDULE NO. AC

RULE NO. 15

CUSTOMER'S PRIVATE SERVICE NOT FOR PUBLIC USE

- A1 Telephone service, other than "public" and "semipublic" service, is furnished for the use of the customer, his family and persons residing in his home, or his employees or representatives, except as service may be extended to "joint users."
- A2 If it is found that the customer is permitting public use of service furnished him for his private use, the utility will thereafter provide "public" or "semipublic" service, except where the customer consents to the facilities being so located as to be inaccessible to the public or permits no further public use after the matter has been called to his attention.
- A3 If it is found that the customer is sharing the use of his business service with an individual or concern, other than an employee, member, or officer of the customer's concern or of a "joint user," the utility will thereafter require the customer to take "joint user" service except where the customer permits no further joint use of the service after the matter has been called to his attention or where the joint user vacates the customer's premises or becomes a customer to business service in the same exchange.

(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1996

Decision No. _____

Regional Director _____

Effective JAN. 01, 1997

ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES

LIST OF EFFECTIVE SHEETS

Sheets 1 through 12 of this schedule are effective as of the date shown thereon.

<u>Sheet</u>	<u>Number of Revision</u>
1	Original
2	Original
3	Original
3A	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original

(continued)

Advice Letter No. 142

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Regulatory & Industry Affairs

ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES (continued)

APPLICABILITY

Applicable to services offered involving plant facility charges within exchange areas.

TERRITORY

Within the exchange areas of all exchanges as said areas are defined on maps filed as part of the tariff schedules.

RATES

Charges S&E
Code

A1 Nonrecurring facility charges

B1 Aerial, or, at the utility's option, underground reinforcements to outside plant facilities along existing exchange or suitable toll telephone circuits of this utility No charge

B2 Aerial, or, at utility's option, underground outside plant facilities extended beyond existing exchange or suitable toll circuits of this utility: (Not applicable to subdivisions, real estate development or service of a temporary or speculative nature)

C1 Free footage allowance

The utility will construct at its expense a maximum of 700 feet of line extension and/or a maximum of 300 feet of service connection per applicant. No charge

(continued)

Advice Letter No. 142

Issued By

Date Filed OCT. 31, 1996

Decision No.

Regional Director

Effective JAN. 01, 1997

Regulatory & Industry Affairs

ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES (continued)

RATES (continued)		Monthly Rate	S&E Code
A1 Nonrecurring facility charges (continued)			
B2 (continued)			
C2 Plant facilities exceeding free footage allowance			
D1 First 100 feet or fraction thereof of line extension and/or service connection per applicant.			
			\$130.00 LXTN
D2 Each additional foot or fraction thereof of line extension and/or service connection			
			1.30
A2 Recurring facility rates			
B1 On/off premises network access facilities			
C1 Where the terminals are in different buildings on the same continuous property			
D1 Under 300 feet			
			No charge
D2 Each 1/4 mile or fraction thereof.			
			2.95 CPM
C2 Where the terminals are in different buildings on noncontinuous property			
D1 First 1/4 mile or fraction thereof			
			5.85 OPM1
D2 Each additional 1/4 mile or fraction thereof.			
			2.95 OPM2

(continued)

Advice Letter No. 142 Issued By _____ Date Filed OCT. 31, 1996Decision No. _____ Regional Director _____ Effective JAN. 01, 1997

Regulatory & Industry Affairs

ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES (continued)

RATES (continued)

Monthly Rate	S&E Code
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A2 Recurring facility rates (continued)

B2 Each tie line between private branch exchange systems

C1 Same customer

D1 On the same premises	\$ 4.90	TL1
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D2 On different premises

E1 First 1/4 mile or fraction thereof . .	5.85	TL2
-------------------------------------------	------	-----

E2 Each additional 1/4 mile or fraction thereof.	2.95	TL3
-------------------------------------------------------------	------	-----

C2 Different customer

D1 First 1/4 mile or fraction thereof	23.95	TL4
-----------------------------------------------	-------	-----

D2 Each additional 1/4 mile or fraction thereof.	2.95	TL5
-------------------------------------------------------------	------	-----

B3 Private line

C1 Intraexchange service.	See Schedule No. G-1
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C2 Interexchange service.	See Section 7 in Contel of California, Inc. - Arizona Intrastate Access Service tariff.
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(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1995

Decision No. _____

Regional Director _____

Effective JAN. 01, 1997

Regulatory & Industry Affairs

ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES (continued)

CONDITIONS

A1 Nonrecurring facility charges

B1 General

- C1 Charges under this schedule are for abnormally long plant extensions to prevent unreasonably burdening the general body of existing customers. This charge is in addition to the regular rates and charges applicable for the service provided.
- C2 Charges in this schedule are
- D1 Applicable to aerial and underground facilities whether utility or jointly owned or rented and to all classes, types and grades of service;
- D2 Not applicable to new subdivisions and real estate developments (Condition B9), and tree-contact-type construction;
- D3 In addition to any charges or contributions applicable under Rule No. 13.
- C3 In lieu of charges under this schedule for footage in excess of the free footage, applicant may, for that excess, clear the right-of-way, furnish and set the poles where aerial construction is employed, or furnish and install the underground supporting structure, all in accordance with the utility's construction specifications; the utility in that case, will furnish and install the fixtures and wire or cable at its expense. Ownership of facilities so provided by applicant shall be vested in the utility, except that underground supporting structures for service connections on private property shall be owned and maintained by the customer.
- C4 Charges under this schedule are payable in advance and, except as described in Conditions A1, B5, and B9 below, are not refundable.

(continued)

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ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES (continued)

CONDITIONS (continued)

A1 Nonrecurring facility charges (continued)

B2 Route, type and measurement of plant extensions and service connections

C1 The distance for determining free footage and charge for line extension is the point of connection from the existing distribution facility to the property line. The service connection free footage allowance is from the property line to the point of connection with the interior wiring at the building being served. (See Condition A1, B4, C2, D2).

C2 Where the proposed route over private property will be part of the route to serve two or more customers, or where, at the utility's option, the route will be on private property rather than on public roads, such routes will be treated as being on public roads.

B3 Collective application and grouping of applicants

C1 When construction is required to serve a new applicant, a survey is made of all prospects who might be served from the new construction or plant extensions thereof and who might benefit by being included in the project. Allowances are made only for those prospective customers making bona fide applications for service.

C2 All applicants are grouped in a single project when there is no more than one-half mile of construction between successive applicants. Separate projects are established whenever the construction between any two successive applicants exceeds one-half mile. Two or more projects are combined, however, whenever this results in lower charges (or no increase in charges) for all of the applicants involved.

(continued)

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ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES (continued)

CONDITIONS (continued)

A1 Nonrecurring facility charges (continued)

B3 Collective application and grouping of applicants (continued)

C3 An applicant at any premises receives only a single plant extension allowance regardless of the number of services ordered at that premises.

C4 When an applicant orders service at more than one premises, he is treated as being a separate applicant at each premises for purposes of this schedule.

B4 Apportionment of charges to group of applicants

C1 Applicants are divided into two groups. The first group includes all applicants whose collective allowance equals or exceeds the construction required to serve them. No charge is made to such applicants. The second group includes all remaining applicants on the project. The overall charges for the project is divided equally among all applicants in the second group.

C2 Exceptions

D1 No applicant is required to pay a higher charge than he would if the project were established for him alone. Any difference between this charge and the average charge for the group is absorbed by the utility.

D2 Charges for plant extensions to plant on private property are assumed by applicants on whose property such plant extensions are made. These charges are not included in the overall charges for the project. Likewise, the free footage allowance on private property is not included in the collective allowance for the project, except for Condition A1, B2, C2.

(continued)

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ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES (continued)

CONDITIONS (continued)

A1 Nonrecurring facility charges (continued)

B5 Charges to subsequent applicants

- C1 When a new applicant is secured who can be served from a completed project, within three years from the date service was initially established for such project, the charges for the entire project are recomputed to include the new applicant. The new applicant pays a prorate of the plant extension charge based upon the number of months (a fraction of a month is counted as a full month) remaining in the original three-year term, the time to be computed from the date service is established for the new applicant.
- C2 Where additional construction is required for an applicant to be served from a project less than 3 years old, the cost of the project is recomputed as above if such recomputation does not increase the charges to those customers served from the existing project. Otherwise, a new project will be established.

B6 Adjustment in charges when additional applicants are connected

- C1 When a project is refigured as described in Conditions A1, B5, above, existing customers will be refunded a prorate of the difference between the original charges and the refigured charges, based on the remainder of the three-year term. Recomputation of charges due to the addition of new applicants is made on the assumption that there have been no disconnects.
- C2 In the event the utility attaches interexchange toll facilities to the plant extension within the three-year period, the utility will refund a prorated amount to cover the unexpired portion of the plant extension charges for that part of the plant extension facilities so used.
- C3 Where construction on private property is subsequently treated as being on public roads or where a private road is dedicated to the public use, within three years of completion of the original project the plant extension charges shall be recomputed and refunds made to the initial applicants where applicable.

(continued)

Advice Letter No. 142

Issued By _____

Date Filed OCT. 31, 1996

Decision No. _____

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Effective JAN. 01, 1997

ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES (continued)

A1 Nonrecurring facility charges (continued)

B7 Disconnects

When one or more customers on a project disconnect within the three-year term, no refund is made of the plant extension charge to the disconnected customers. Charges to remaining customers are not affected by disconnects.

B8 Reuse of facilities

C1 When a customer disconnects service or moves off the project and service is established for a new applicant at the same location, any adjustment in charges is a matter for negotiation between the original customer and the new applicant.

C2 Where a customer is disconnected for any reason and subsequently reapplies for service from the same premises, the customer will not be required to pay any additional plant extension charges in addition to his total original obligation.

C3 Where a customer has paid plant extension charges for service at a premises on a given project and subsequently applies for service at a different premises on the same project, the customer will not be assessed additional plant extension charges greater than his original obligation unless additional construction is required.

(continued)

Advice Letter No. 142

Issued By

Date Filed OCT. 31, 1996

Decision No.

Regional Director

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Regulatory & Industry Affairs

ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES (continued)

CONDITIONS (continued)

A1 Nonrecurring facility charges (continued)

B9 Outside plant extensions to serve new subdivisions or real estate developments in their entirety.

C1 Where requested and permissible, aerial facilities to and within real estate developments will be provided under the following conditions.

D1 The applicant, in addition to any labor or material to be furnished by him, will pay in advance the estimated total cost of the utility's construction. Any difference between the amount advanced and the actual cost shall be advanced or refunded, as the case may be, within 60 days after completion of the utility's construction.

D2 When, within the first three-year period after completion of construction, the subdivision density requirement has been met, the utility will refund the advance in D1 above. If, at the end of the three-year period the subdivision density requirements has not been met, the utility will refund that portion of the advance proportional to the ratio of the then permanent network access line terminations density to the subdivision density requirement. No interest will be paid on such advances.

(continued)

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ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES (continued)

CONDITIONS (continued)

A1 Nonrecurring facility charges (continued)

B10 Temporary or speculative service

- C1 Plant extensions to provide service to an applicant engaged in temporary or speculative business will be made on the condition that applicant pays to the utility the total cost of the construction and removal of the line necessary in furnishing the service less the salvage value of the materials used.
- C2 If a customer maintains for 36 consecutive months a service installation which was originally established on a temporary or speculative basis, and if his business or operation at the end of that time has proven its permanency to the satisfaction of the utility, there will be refunded to the customer an amount equal to the difference between the payment made pursuant to Condition B10 C1 above and the normal plant extension charge which would have been applicable at the time the customer's service was installed.
- C3 In no event shall service installation be classed as temporary or speculative for more than six years. Refunded provisions of Condition B10 C2 apply at the end of not more than six years.

B11 Contracts

Contracts covering periods of not to exceed three years of telephone service may be required by the utility as a condition precedent to establishment of the service when outside plant extensions are necessary. Such contracts will not require advance or unusual payments in excess of those otherwise required by this schedule, and shall not interfere with the utility's right to collect amounts as provided for elsewhere in its tariff schedules.

(continued)

Advice Letter No. 142

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ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES (continued)

CONDITIONS (continued)

A1 Nonrecurring facility charges (continued)

B12 Extraordinary costs

C1 The applicant will be required to pay the representative costs below in addition to the associated plant extension charges when the utility incurs extraordinary costs for:

D1 Obtaining rights-of-way and easements for, i.e., railroad crossings, Bureau of Land Management, Forest Service, environmental impact studies, etc.

D2 Rule No. 11 will apply to projects of a temporary or speculative nature.

D3 Rule No. 13 will apply to customer requested route changes or construction differences.

C2 Customers to plant extensions regarding rights-of-way or easements which require payment (or annual fees) must negotiate with the necessary agency.

B13 Disputes

In case of disagreement or dispute regarding the application of any provision of this rule, or in circumstances where the application of this rule appears impracticable or unjust to either party, the utility, applicant, or applicants may refer the matter to the Arizona Corporation Commission for ruling.

(continued)

Advice Letter No. 142

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Regulatory & Industry Affairs

ARIZONA

SCHEDULE NO. A-2

OUTSIDE PLANT FACILITIES (continued)

CONDITIONS (continued)

A2 Recurring facility charges

- B1 Recurring facility charges under this schedule are in addition to other rates applicable to the services provided.
- B2 Recurring facility charges under Rates A2, B1 above are applicable in all exchanges, and are based on air line mileage which is the air line measurement between terminals. These rates are applicable in connection with telephones which terminate off the premises on which the customers primary service is located.
- B3 When any tie line service involves more than two terminals, the air line distance in quarter miles will be computed separately between each pair of terminals, fractional quarter miles being considered as whole quarter miles. The sum of the air line distances in quarter miles, between outside plant facilities in a tie line service where more than two terminals are involved, will be charged for at the above rates, except that only one first quarter mile charge will be made, the balance of the quarter miles of air line mileage being charged for at the rates for additional quarter miles.
- B4 The above rates also provide for the furnishing of two-point connections.
- C1 Between any two telephones connected to and on the same premises as the attendant's positions in which a tie line terminates.
- C2 Connection of a single tie access line (at either end but not both ends simultaneously) to an exchange trunk line or, where facilities and operating conditions permit, to an interexchange private line telephone service line.

(continued)

Advice Letter No. 142

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NAVJO



Citizens Utilities Company

2901 N. Central Ave., Ste 1660
Phoenix, AZ 85012-2736
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Fax: (602) 265-3415
Email: drscott@czn.com

Deborah R. Scott
Senior Attorney

June 19, 1998

Maureen Scott
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

RECEIVED
OCT 20 1998
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**RE: DOCKET NOS. T-03214A-97-0640; T-02115A-97-0640;
T-1954A-97-0640**

Dear Ms. Scott:

Enclosed please find Citizens Utilities Company's responses to the following data requests submitted by Staff in the above referenced matter.

Requestor

Response No.

Staff - DS

Nos. 1 - 19

If you have any questions or comments regarding this matter, please contact Charlie Born at (916) 665-5355.

Very truly yours,

Enclosures

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-1:

Currently, are there any potential customers within the Company's exchange boundaries that do not have telephone service? If yes, how many?

Response:

Yes, approximately 12,544.

**ARIZONA CORPORATION COMMISSION
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**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-2:

Please indicate the basis for your estimate provided in response to Question 1.

Response:

Using the Spring 1995 Navajo Nation Profile (Attachment A), the estimate was based on 23,349 occupied houses with electricity, less Navajo's 10,805 residential access lines.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
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**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-3:

Where are these potential customers located? List the estimated number of potential customers by wire center or exchange and by section, township and range.

Response:

The potential customers are located throughout the Navajo Nation which is comprised of 16.2 million acres in Arizona, New Mexico and Utah. Please see Attachment B for a listing of 1997 line extension requests by exchange. Navajo does not have available section, township and range information.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-4:

If your response to DS-1 is yes, why do these potential customers not have telephone service at the present time? Have any of these potential customers requested service at any time? If yes, please provide the names and the dates service was requested.

Response:

The Navajo reservation has a 44% unemployment rate with 56.1% living below the poverty level. Navajo received 72 Aid to Construction letters in 1997, as shown on Attachment B.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
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MAY 29, 1998**

Data Request DS-5:

For the customers listed in your response to DS-3, indicate the distance from the potential customer's location to the nearest available facilities.

Response:

Navajo does not obtain this information in the regular course of its business, therefore, Navajo does not have the distances for each of the potential customers. Due to limited resources, Navajo cannot devote the time and expense at this time to provide the requested information.

**ARIZONA CORPORATION COMMISSION
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**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-6:

Are there any potential customers immediately outside the Company's exchange boundaries that do not have telephone service? If yes, how many?

Response:

Navajo is not directly aware of any potential customers since they would most likely be in another local exchange company's service territory. U.S. West, Table Top and Century have service territories adjacent to Navajo's serving area.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-7:

Please indicate the basis for your estimate provided in response to Question 6.

Response:

See response to DS-6.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-8:

Where are these potential customers located? List the estimated number of potential customers by wire center or exchange, and if possible, by section, township and range.

Response:

See response to DS-6.

**ARIZONA CORPORATION COMMISSION
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NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-9:

If your response to DS-6 is yes, why do these potential customers, if any, not have telephone service at the present time? Have any of these potential customers requested service at any time? If yes, please provide the names of the customers and the dates service was requested.

Response:

See response to DS-6.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-10:

For the customers listed in your response to DS-8, please indicate the distance from the potential customer's location to the nearest available facilities.

Response:

See response to DS-6.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-11:

Has your Company received any complaints from potential customers regarding their inability to obtain telephone service during the last five years? Please indicate the number of complaints received by year, the nature of each complaint, and where the customer is located.

Response:

Navajo has not received any formal complaints in the last year. Navajo receives informal complaints from customers on occasion that are typically discussed via direct customer contact. Navajo does not maintain a formal record of these types of complaints. Navajo also receives Chapter Resolutions requesting feasibility studies (chapters are local government entities of the Navajo Nation.) Maps were given to the Chapters to plot each potential customer. Very few Chapters have returned the plot maps. Those who returned their plot maps received aid to construction letters.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-12:

If your answer to DS-11 was yes, how were each of these complaints resolved? Please list all instances where the complaint is still unresolved and date the complaint was received.

Response:

Resolution of direct complaints are normally handled with an explanation of the Line Extension Tariff. The Chapter Resolutions were not complaints but requests for cost analysis for services by Chapters (Chapters are local government entities of the Navajo Nation).

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-13:

Does your Company have an approved line extension tariff on file with the Commission? If yes, please attach a copy and briefly explain how it works.

Response:

Please see Attachment C, a copy of the approved tariff. In summary, Navajo will construct at its expense a maximum of 5/10 mile, route measurement, of outside plant facilities per applicant. Navajo will construct at its expense two miles of metallic (two-wire) circuit or its equal, on existing Company pole leads per applicant. Line extension charge based upon costs incurred will apply for construction in excess of allowance provided above.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-14:

How often in the past five years have you given estimates under your tariff to potential customers without service?

Response:

In 1997, Navajo had provided estimates to 72 potential customers. Navajo does not have readily available information prior to 1997. Please see Attachment B.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-15:

What have those estimates been? Please provide as many individual examples as possible for prior 10-year period. Please also indicate what your average estimate is for line extension requests you receive.

Response:

Navajo has information available for 1997. The estimates range from \$1,560 to \$157,000. Please see Attachment B for available information.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-16:

Have all potential customers provided with these estimates been able to pay the required amount to have facilities put in place to obtain telephone service?

Response:

Navajo is only aware of two within the past 5 years.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-17:

If your answer to question 16 is no, how many potential customers have been unable to pay the required amount to have facilities put in place? Please indicate per request the dollar amount which the potential customer was unable to pay, and when the request was made for the last 10-year period.

Response:

Please see Attachment B for the amount not paid.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-18:

Would any of these potential customers qualify for federal Lifeline assistance using the federal default eligibility criteria? If yes, please estimate how many would fall into this category?

Response:

Without knowing the personal profile of these potential customers, it is not known if they qualify for Lifeline assistance.

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
NAVAJO COMMUNICATIONS COMPANY, INC.**

**ACC DOCKET NO. T-2115-97-640 (Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715
MAY 29, 1998**

Data Request DS-19:

How much does the company currently receive in Federal High Cost Funds? How much does the Company receive in Long Term Support assistance from the federal jurisdiction? How much does the Company receive in Federal assistance from DEM weighting?

Response:

Navajo Communications Company, Inc. currently receives \$206,368 per month from the Federal High Cost Fund. The Company receives no assistance for Long Term Support from the federal jurisdiction. Federal assistance from DEM weighting totals \$57,726 per month is received by Navajo Communications Company, Inc.

ATTACHMENT A

NAVAJO NATION PROFILE

Spring 1995
SOURCE: 1990 Census
Division of Community
Development (DCD)
Larry Rodgers, Statistician

SCHOOL ENROLLMENT (1990)*Number of persons 3 years of age and older enrolled*

Preprimary	3,286	6.2%
Elementary and high school	43,795	82.2%
College	6,183	11.6%

LANGUAGE SPOKEN AT HOME (1990)*Persons 5 years of age and older*

English only	22,855	17.42%
American Indian language	107,665	82.04%
Spanish	494	.38%
Asian/Pacific Islander language	79	.06%
Other language	136	.10%

NATIVITY AND PLACE OF BIRTH (1990)

Native population	151,015
Born in state of residence	126,369
Born in another state	24,537
Born outside the U. S.	109
Foreign-born	270
Entered U. S. between 1980 and 1990	171

INCOME AND POVERTY STATUS: 1970 to 1990

<i>Per capita Income</i>			
1970 Census	1980 Census	1990 Census	
\$776	\$2,414	\$4,106	

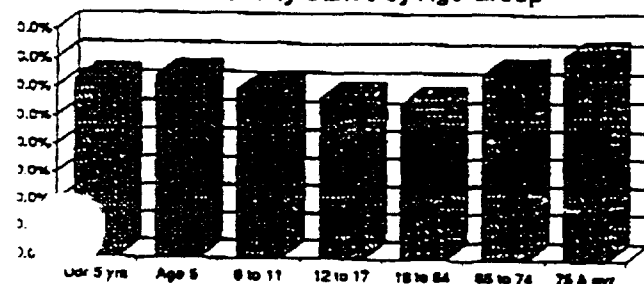
<i>Median Family Income</i>			
1970 Census	1980 Census	1990 Census	
\$3,084	\$9,079	\$11,885	

<i>Percent of Persons below the Poverty Level</i>			
1970 Census	1980 Census	1990 Census	
64.5%	49.7%	56.1%	

<i>Percent of Families below the Poverty Level</i>			
1970 Census	1980 Census	1990 Census	
62.1%	47.3%	57.4%	

POVERTY STATUS IN 1989

<i>Persons for status determined</i>	150,577	
Below poverty	84,508	56.1%
<i>Persons 18 years and over</i>	85,824	
Below poverty	46,619	54.3%
<i>Persons 65 years and over</i>	8,864	
Below poverty	5,878	66.3%

Poverty Status by Age Group**VETERAN STATUS (1990)**

Total civilian veterans	5,826
Civilian veterans 16 to 64 years of age	
Male	4,468
Female	170
Civilian veterans 65 years and over	
Male	1,121
Female	67
Period of military service:	
May 1975 or later*	1,135
Vietnam era	2,140
Feb 1955 to July 1964	433
Korean conflict	745
World War II	1,335
World War I, other service	38

*Does not include the Persian Gulf conflict

HOUSING CHARACTERISTICS (1990)

Total housing units	56,372
Lacking complete plumbing	29,099 78.6
Lacking complete kitchen facilities	26,869 72.6
<i>Source of water</i>	
Public system or private company	34,306
Individual drilled well	11,360
Individual dug well	2,071
Some other source	8,635
<i>Sewer disposal</i>	
Public sewer	18,569
Septic tank or cesspool	10,449
Other means	27,354 -74.5
Total housing units occupied	37,000
Owner Occupied	27,586
Renter Occupied	9,432
<i>Primary heating fuel used</i>	
Utility gas	4,998
Bottled tank or LP gas	5,174
Electricity	23,349 25.6
Fuel oil, kerosene, etc.	594
Coal	2,427
Wood	20,094 54.3
Solar energy	22
Other fuel	167
No fuel used	175

Occupied housing units without telephone	28,688
Percent of units without telephone	77.5%

Period structure built

1980's	20,252	1950's	5,093
1970's	15,758	1940's	1,664
1960's	11,676	1939/earlier	1,929

ATTACHMENT B

Navajo Communications Company, Inc. - Arizona
Line Extension Request - 1997

ATTACHMENT B

<u>District</u>	<u>Exchange</u>	<u>Requests/Letters</u>	<u>Estimated Cost</u>
Window Rock	871	1	1,560
	729	0	
	755	4	12,480
			31,680
			15,840
			21,120
	652	1	24,024
Shiprock	653	0	
	656	0	
Chinle	674	2	11,760
			15,632
	659	3	16,532
			131,208
			9,240
	728	3	19,480
			19,480
			32,340
	781	1	84,680
	787	6	18,480
			35,112
			27,720
			36,960
			24,024
	738	0	
	657	7	18,480
			110,880
			38,960
			129,360
			27,720
			27,720
			157,080

Navajo Communications Company, Inc. - Arizona
Line Extension Request - 1997

ATTACHMENT B

<u>District</u>	<u>Exchange</u>	<u>Requests/Letters</u>	<u>Estimated Cost</u>
	686	2	84,480 84,480
	654	9	51,744 55,440 101,640 18,480 4,620 83,160 53,440 55,440 49,898
	724	15	18,480 18,480 18,480 83,160 110,880 5,544 46,200 64,680 3,168 24,024 131,208 46,200 27,720 68,280 36,960
Tuba City	283	0	
	698	0	
	672	2	27,456 137,280
	673	0	
	658	0	
	677	0	

Navajo Communications Company, Inc. - Arizona
Line Extension Request - 1997

ATTACHMENT B

<u>District</u>	<u>Exchange</u>	<u>Requests/Letters</u>	<u>Estimated Cost</u>
	697	17	31,120
			35,120
			49,304
			36,640
			7,640
			27,120
			21,120
			22,016
			22,016
			6,320
			6,320
			16,512
			20,512
			5,320
			20,512
			6,320
			3,568
	727	0	
	739	0	
	Grand Total:	72	2,948,054

ATTACHMENT C

COMPANY-OWNED LINE EXTENSION SERVICE

I. DEFINITION

- A. Company-Owned Line Extensions are furnished to subscribers in certain sections outside the Base Rate Area but within the Exchange Area with the facilities being owned and maintained by the Telephone Company.

II. APPLICATION OF RATES

- A. In addition to any applicable line extension charges outlined below, the rates for Telephone Exchange Service set forth in Section 4 apply.

III. GENERAL PROVISIONS

- A. Monthly rates are applicable to metallic (two-wire) circuits or their equal in the opinion of the Telephone Company.
- B. Line extensions shall be limited to not more than four (4) parties per line.
- C. The Telephone Company will provide, at its expense, on public highways and public roads, one-half mile of new pole for each applicant.
- D. The Telephone Company will provide, at its expense, two miles of metallic (two-wire) circuit or its equal, on existing Company pole leads per applicant.
- E. Where joint use of poles (other wire-using companies, power companies, etc.) are involved or used, the following allowance will apply:
1. First circuit on joint-use poles, one-half mile allowance for each applicant.
 2. Additional circuits on joint-use poles, two miles for each applicant.
- F. The allowance provided under C., D., or E., 1 and 2 are not granted to the same applicant.
- G. Line extension charge based upon costs incurred will apply for construction in excess of allowance provided above.

COMPANY-OWNED LINE EXTENSION SERVICE

III. GENERAL PROVISIONS (Continued)

- H. Poles and wire along public highways and roads, whether furnished at the expense of the Telephone Company or the Subscriber, or maintained by the Telephone Company and ownership therein is vested in the Telephone Company, except that ownership of poles may be vested in some other company with which the Telephone Company has a joint-use agreement.
- I. The Telephone company reserves the right to connect business and residence stations on the same line. No keys for the purpose of cutting off all or a portion of the line from the central office are permitted except in the case of an extension station where a key may be used for disconnecting it from the main station.

EXCHANGE TELEPHONE SERVICE

RATES

Access Line Service

	<u>Billing Code</u>	<u>Monthly Rate</u>	
Business			
PBX Trunks	PL/PLR	\$95.25	
Key Lines	KL/KLR/KLE	76.20	
One Party	B1A/B1RA	57.15	
Two Party*	B2A/B2RA	47.55	
Four Party	B4A/B4RA	41.95	
Eight Party*	B8A/B8RA	41.95	
Customer Owned Pay Telephone Service**	COPTS	67.85	-
Residence			
One Party	R1A/R1RA	\$15.90	
Two Party*	R2A/R2RA	13.40	
Four Party	R4A/R4RA	11.45	
Eight Party*	R8A/R8RA	11.45	
Federal Lifeline Discount (1)	—	(5.25)	(N)
(1) See Conditions 8 and 9			(N)

* Limited to existing customers in existing locations.

** Semi-Public Telephone Service has been deregulated.

EXCHANGE TELEPHONE SERVICE

CONDITIONS

Access Line Service

1. Two and Eight Party Services were frozen as of March 1, 1984 and are limited to existing customers in existing locations.
2. Access Line Service is furnished with rotary service as the standard signaling arrangement. Rates for Touch Calling Service are shown in Section 20.
3. The rates for access line service do not include a telephone set with the line.
4. Service Connection Charges for Access Lines are located in Section 15.
5. The Company reserves the right to service a customer via Rural Radio transmission when physical cable is not feasible.
6. Rural Radio is one party service which is only available at the Company's option to new customers or existing customers whose facilities are in need of repair.
7. Rural Radio may be provided to customers located in an exchange other than the local exchange in which the customer resides, provided there is Extended Area Service between both the local and dial tone exchanges.
8. The utility shall provide Lifeline Telephone Service to any applicant that certifies under penalty of perjury that they receive benefits from one of the programs listed below and identify the program or programs from which that applicant receives benefits. The qualifying low-income applicant also must agree to notify the utility when that applicant ceases to participate in the program or programs. [see Condition 9 below in this tariff section]

- ♦ Medicaid;
- ♦ Food Stamps;
- ♦ Supplemental Security Income;
- ♦ Federal Public Housing Assistance;
- ♦ Low Income Home Energy Assistance Program

The term "applicant" as used above refers to the head of a household or person in whose name the property rental agreement resides.

The utility will have the right to verify that applicants meet the eligibility requirements directly with the state agency administering the qualifying programs.

(N)

(N)

EXCHANGE TELEPHONE SERVICE

CONDITIONS (Continued)

Access Line Service (Continued)

8. (Continued)

Lifeline Telephone Service will be subject to the following restrictions:

Applicants must be head of household or person in whose name the property or rental agreement resides.

Service will only be provided to the applicant's principal residence.

Applicants will only be allowed to subscribe to a single residential access line.

Lifeline customers are charged the Residence access line rate plus the Federal Subscriber Line Charge, then receive the applicable federal and state Lifeline discounts on their Local bill.

Optional toll blocking functionality is offered at no charge to Lifeline customers.

Service charges will be waived for changing basic local exchange service to Lifeline service.

For additional conditions for application of this service see:

Deposits in Section 3.

Service Charges in Section 15.

Suspension of Service in Section 16.

EXCHANGE TELEPHONE SERVICE

CONDITIONS (Continued)

Access Line Service (Continued)

9. The Commission has requested a temporary waiver of the FCC's rule that states base eligibility for intrastate matching funds under the federal Lifeline program solely on income for customers who qualify for federal Lifeline assistance under Arizona's Low Income Telephone Assistance Program. The waiver, if granted by the FCC, would allow existing low-income customers to continue to receive Lifeline assistance under this state program as they have in the past, pending changes to state law to bring the eligibility criteria into compliance with new federal standards. During the interim period, low-income customers who qualify for the state program would receive the federal baseline support amount of \$3.50 plus the additional \$1.75 in federal Lifeline support. These customers would also be eligible to receive matching federal Lifeline support in an amount equal to one-half of the amount of the state support. For example, if the 17% discount in local service charges contributed by the state equaled \$2.00, the matching federal Lifeline support would equal \$1.00. Using this example, a total of \$6.25 in federal Lifeline support would be available to customers who qualify for the state program during the interim period.

The Commission has also sought clarification from the FCC to allow Arizona's eligible telecommunications carriers to apply federal default criteria for purposes of the \$5.25 baseline amount. This would mean that during the interim period pending changes to state law which would provide for state matching funds, low-income customers who qualify under the federal Lifeline criteria would receive the federal baseline amount of \$3.50 plus the additional \$1.75 in federal Lifeline support.



RIO VIRGIN



R I O V I R G I N



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RECEIVED

JUN 15 1998

LEGAL DIV
ARIZ. CORPORATION COMMISSION

To: Maureen A. Scott
Attorney, Legal Division
Arizona Corporation Commission

Re: Correspondence dated: May 29, 1998 - data request - ACC Docket No. T-1869A-97-638
(un-served areas) FCC Docket No. 96-46; 97-160; DA 98-715.

Information provided for items DS-1 through DS-18 by

J. E. Petersen
General Manager
Rio Virgin Telephone Company
PO Box 299
Mesquite, NV 89024
702-346-5211

Information provided for item: D-S-19 by

Jack Gilbert
Controller
PO Box 189
Estacada, Oregon 97023
503-630-8959

- D-S-1. Yes. This would be difficult to quantify without an extensive door to door survey, i.e. as one of our more rural serving areas, Scenic Arizona, is used to a great extent by Snowbirds (seasonal occupants), many who leave their trailers on site year round, while others utilize R.V. Parks who have not provisioned their spaces for telephone service.
- D-S-2. A. Review of our file of request for service requiring line extensions. We have (9) requests on file dating back to 1994. (See attachments 1-A, 1-B).
B. Comparison of plant facility records to customer records.
- D-S-3. See attachments 1-A, 1-B
- D-S-4. Unknown. Yes. See attachments 1-A, 1-B
- D-S-5. See attachments 1-A, 1-B
- D-S-6. No, not to our knowledge.
- D-S-7. Personal knowledge of serving area.
- D-S-8. Non-applicable
- D-S-9. Non-applicable
- D-S-10. Non-applicable

- D-S-11. Yes. (1) complaint -1998 - 347 exchange, Beaver Dam, AZ. Rio Virgin Telephone Company was unable to acquire required access across private property owned by Beaver Dam Water Company to provide telephone service to complainant. The area referred to is known as Jones Flat.
- D-S-12. Complaint number 98-149317. Resolution was due to commission staff involvement. Water Company that denied an easement subsequently did so. There are no unresolved complaints.
- D-S-13. No, not per say. However, we do have language in our Tariff, schedule E-1, sheet 2, paragraph 3 (see attached), that we feel adequately addresses this issue. Our approach to evaluating estimated cost of line extensions is the same as our approach to any construction project, i.e. what is the best route, what is the most overall cost effective approach and method to complete the project with regard to the life expectancy of plant placed.
- A. Materials; the sheath count is equal to the unit cost of a 2 pair buried service wire. Additional sheath count for any anticipated future growth is not included in the cost estimate.
 - B. Labor; fully loaded company labor rates are used.
 - C. Vehicle expense is based upon the history of average loaded costs of operation for each piece of equipment.
 - D. Engineering cost, supply expense and sales tax as applicable.
- D-S-14. We have provided estimates (9) times in the last (5) years.
- D-S-15. See attachments 1-A, 1-B
- D-S-16. No
- D-S-17. (5) See attachment 1-B
- D-S-18. Not to our knowledge
- D-S-19. See attachment 1-C

Respectfully submitted,


John Petersen
General Manager

cc: Steve Crosby

ATTACHMENT 1-A

ESTIMATES GIVEN TO CUST. ACCEPTING ESTIMATED COST.

<u>NAME</u>	<u>DATE</u>	<u>LOCATION</u>	<u>DISTANCE</u>	<u>EST.</u>	<u>EXCHANGE</u>
[REDACTED]	9/7/95	Scenic T39N, R16W, S15	2,906'	1,674.55	347
[REDACTED]	1/3/96	Hughes Bench	2,400'	1,600.00	347
[REDACTED]	3/25/96	AZ T41N, R15W, S36	3,285'	2,690.68	347
[REDACTED]	12/13/96	Scenic T39N, R16W, S15	1,810'	1,300.00	347
TOTAL AVERAGE			<u>2,600'</u>	<u>\$1,816.00</u>	OR \$.69 per/foot

ATTACHMENT 1-B

ESTIMATES GIVEN TO POTENTIAL CUST. WITH NO RESPONSE.

<u>NAME</u>	<u>DATE</u>	<u>LOCATION</u>	<u>DISTANCE</u>	<u>EST.</u>	<u>EXCHANGE</u>
[REDACTED]	10/14/94	Scenic T39N, R16W, S16	1,962'	2,999.24	347
[REDACTED]	9/7/95	Scenic T39N, R16W, S10	15,161'	10,774.00	347
[REDACTED]	10/30/95	Scenic T39N, R16W, S16	1,431'	1,378.00	347
[REDACTED]	4/8/96	Scenic T39N, R16W, S13	1,558'	1,946.00	347
[REDACTED]	4/29/97	Scenic T39N, R16W, S2	12,672'	11,000.00	347
TOTAL AVERAGE			<u>6,557'</u>	<u>\$5,619.00</u>	OR \$.86 per/foot

RIO VIRGIN TELEPHONE COMPANY

Mesquite, Nevada

First Revised A.C.C. Sheet No. 2
cancels

Original A.C.C. Sheet No. 2

ORIGINAL

Schedule No. E-1

MULTI-ELEMENT SERVICE CHARGES - (Cont.)

SPECIAL CONDITIONS

1. Charges shown in this section are based on work being performed during regularly scheduled work hours of the Company's employees. Premium cost of overtime, when performed for customer convenience, will be billed to the requesting customer.
2. Charges provided for in this section are in addition to the regular schedule of rates and charges set forth elsewhere in this tariff.
3. Charges may consist of one or more nonrecurring charge for work performed due to customer request. The charges are separately established in order to provide a reasonable basis for an equitable recovery of costs incurred in the required operations.
4. Multi-element service charges include:
 - a. Service Ordering Charge
 - (1) The Service Ordering Charge is applicable to each customer request for work performed by the Company in connection with the receiving, recording and processing of a customer request to be completed for the same account, at the same premises, at the same time.
 - (2) One Service Ordering Charge applies for all items included on a service order. Only one Service Ordering Charge is applicable even though the Company elects to issue more than one service order to comply with the customer's request for service.
 - b. Line Connection Charge
 - (1) The Line Connection Charge is applicable for work performed in the central office and work performed in providing or rearranging the dropwire or outdoor circuit on the customer's premises. The charge applies to work including but not limited to:
 - Establishing or changing connections in the central office.
 - Establishing or changing connections in distribution facilities between the central office and the customer's premises, including necessary cross connections and line transfers.

ISSUED: 5/26/89

ISSUED BY:

ADVICE NO. 8
DECISION NO.

BRAD DAY
Vice President
P.O. Box 189
Estacada, Oregon 97023

APPROVED FOR FILING
IN COMPLIANCE WITH
DECISION #: 56561

EFFECTIVE OCT. 25, 1989

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
UNIVERSAL SERVICE FUND
1998 PAYMENTS

STUDY AREA.....: 552356

STUDY AREA NAME: RIO VIRGIN TEL CO

NECA REGION.....: 5

QUARTER	PERIOD	SACPL	MACPL	MONTHLY
JAN-MAR	971	\$292.98	\$248.27	\$1,962.00
APR-JUN	971	\$292.98	\$248.27	\$1,962.00
JUL-SEP	971	\$292.98	\$248.27	\$1,962.00
OCT-DEC	971	\$292.98	\$248.27	\$1,962.00
TOTAL ANNUALIZED PAYMENT				\$23,544.00

THE ABOVE PAYMENTS ARE PROJECTIONS BASED ON LATEST VIEW DATA AS OF JANUARY 1998. IN ACCORDANCE WITH FCC REQUIREMENTS, THESE PROJECTED PAYMENTS ARE BEING REPORTED TO YOUR STATE COMMISSION.

THERE IS A CAP ON USF PAYMENTS FOR 1998, SO THE AMOUNTS SHOWN HERE HAVE ALREADY BEEN REDUCED TO KEEP THE FUND BELOW THE STATUTORY LIMIT. FURTHER ADJUSTMENTS MAY BE NECESSARY TO MAINTAIN THE FUND LIMIT.

THESE AMOUNTS DO NOT INCLUDE ADJUSTMENTS FOR CONTRIBUTOR NON-PAYMENTS.

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